

citizens are delaying their retirement, workers are losing their jobs, and families are losing their homes. Although this hour is difficult, President Obama's budget sets the path toward recovery, and when our economy does recover, we will ensure that this time not just the yachts but all boats are lifted with the coming tide.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

AIG

Mr. McCONNELL. Mr. President, the situation at AIG is an offense to the taxpayers, and we are going to get to the bottom of it even if the Department of the Treasury hasn't.

Here is a company that has been taking billions and billions of dollars from taxpayers in the middle of what could be the worst economic downturn since the Depression. Now we hear that those taxpayer dollars were going in the front door, supposedly to keep the company afloat, and then right back out the back door into the hands of those corporate officials who got us into this mess in the first place.

The Treasury Department was supposed to be minding the store. They had the authority to disburse the funds and to provide oversight. It was Treasury's responsibility to watch how these funds were being used. Obviously, they fell asleep on the job. The Treasury Department was completely asleep on the job. They need to wake up. Americans are fed up with their hard-earned tax dollars going to people who got us into this mess in the first place. They deserve to know how this happened. The American people deserve to know how this happened. The administration and the Treasury Department need to reassure the American people that this will never, ever happen again.

THE BUDGET

Mr. McCONNELL. Mr. President, the American people are starting to get an idea about the administration's budget. They understand that it taxes too much, it spends too much, and it borrows too much, especially in the middle of an economic crisis.

On taxes, the budget includes the largest tax hike in history, diverts billions of dollars from charities here at home at a time when Americans are looking to those charities even more than they would be in normal times, and it raises taxes on small businesses.

Small businesses account for nearly three-fourths of all new private sector jobs here in our country. The budget's tax on small businesses would cause many of them to see their taxes go up significantly. This tax hits the general contractor down the street, the family

restaurant, the startup technology firm, and many other businesses people deal with or work at all across our country every single day. These businesses are the engines of our economy. They are struggling, and they will struggle even more once these tax hikes go into effect. Small businesses with more than 20 workers, which account for two-thirds—two-thirds—of the small business workforce, get hit particularly hard. The President's budget includes a tax increase on more than half of those businesses. These businesses are run by men and women who make decisions based on considerations such as how much they are taxed, and if they have less money coming in as a result of higher taxes, they cut jobs, put off buying new equipment, and they take fewer risks, the kinds of risks that have always made our economy so vibrant and so innovative. These risks will be squeezed out as a result of these higher taxes.

Hundreds of thousands of Americans are losing their jobs every month. Many of these jobs are with small businesses. Higher taxes will only force these businesses to shed even more jobs. I understand the administration's desire to make good on its promises, but taxes on job creators in a recession is not the right approach. With the highest unemployment rate in 25 years, most people don't see the sense of raising taxes on small businesses, and they are absolutely right.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business for up to 1 hour, with Senators permitted to speak therein for up to 10 minutes each and with the time equally divided, the Republicans controlling the first half hour and the majority controlling the second half hour.

The Senator from Oklahoma is recognized.

Mr. INHOFE. Mr. President, it is my understanding I have the first 15 minutes, and I would ask the Chair to advise me when I have 1 minute left.

The ACTING PRESIDENT pro tempore. The Chair will do so.

THE BUDGET

Mr. INHOFE. Mr. President, I don't think my State of Oklahoma is any different from any other State when you go home and you find out that people are looking at these monstrous expenditures never even dreamed of before in the history of this country. They talk

about the auto bailout, \$17 billion; the housing bailout—I think probably the worst one was the first one, the bank bailout that gave the authority to unelected bureaucrats to do what they are doing today. We have the economic bailout, the stimulus package. I am here today to say that as bad as all of this is, if you look at the one that is in the budget—the climate bailout—it is far worse because at least these are one-shot deals, and that would be a permanent tax every year. Over the next few weeks, we will be talking about it.

I spent nearly 10 years on this issue in the capacity of the ranking member and the chairman of the Environment and Public Works Committee. To tell the truth, for a long time I was a one-man truth squad, and now more and more people realize that the science that was supposed to be there really is not there. But that is not the important thing. As I said in the debate against the Boxer bill a year ago, let's go ahead and concede the science, even though it is not there, so that it doesn't take away from the economic arguments.

So, in my view, I think the President did a good thing, including an estimate in his budget as to how much this is going to cost. Now, his estimate was understated, I understand that, but it allows us to have an honest debate about the cost of a program of this magnitude to the American people, not to mention the enormous redistribution of wealth for pet projects and programs under the umbrella of clean energy. In fact, according to a new report by the Center for Public Integrity, the number of lobbyists seeking to influence Federal policy on climate change—that is what we are talking about here—has grown more than 300 percent in 5 years. This represents more than four lobbyists for every Member of Congress, with a slew of new interests from Main Street to Wall Street, clamoring for new taxpayer-funded subsidies.

I don't think anyone questions that in the Senate. Our Halls are inundated with people who want in on this deal. The administration's decision to include cap and trade, and the revenues it generates in the budget, forces my colleagues in the Senate to quit hiding from this issue. They are going to have to talk about it. They can no longer prevent a discussion of what a program of this magnitude is.

The public is finally beginning to pay attention. To put it simply, they are realizing cap and trade is a regressive energy tax that hits the Midwest and the South the hardest, and it hits the poor disproportionately. I don't think anyone now is questioning that because everyone has been talking about it.

While a number of lobbyists and the companies are lining up inside the beltway, Washington businesses and the consumers are coming to realize that cap and trade is designed to deliver